



**Cramer's 9 to 4:30**

## How to Put In for Those 1969-71 Tax Refunds

By JOHN CRAMER  
Star-News Staff Writer

It definitely was not a funny thing that happened on the way to the tax rebate office.

It turned out no one was able to explain how to claim the blamed rebate.

So, in my bumbling way, I'll try to tell government workers how to go about putting in for possible refunds — at least 7 percent — on their 1969-70-71 federal income tax payments.

A story here Saturday reported that the National Association of Internal Revenue Employees had advised all federal employees, including post-

als, to claim 1969 refunds — on the off chance they'll get them if NAIRE and the AFL-CIO Letter Carriers win a suit they filed last July in Detroit.

NAIRE specifically suggested that employees contact tax assistants, available in all IRS offices, for advice on how to fill out their claims. But, for lack of guidance from IRS topside, the assistants so far have been precious little help.

In their suit, the unions contend that retirement contributions (7 percent of base pay) which are deducted from federal worker salary checks should not be taxed as "current" income. They contend taxation should be deferred

until the contributions return to the employee in the form of retirement annuities. At that point — because annuity income always is less than salary income — it would be taxed at lower rates, with major savings.

IRS officials profess to believe the unions don't have a chance of winning their suit. The unions think they have — well, let's say an outside, fighting chance. In their view, it's well worth the small time an employee will spend filling out a claim form.

NAIRE says the IRS has refused "to establish standard procedures" for filing rebate

claims. As of yesterday, IRS still had suggested none.

But neither NAIRE nor the Letter Carrier are willing to suggest procedures on their own. They're afraid they might become liable for damage actions — if they win their suit, and it turns out their advice was wrong.

So I'll stick my neck out — tentatively.

First, however, let it be recorded:

- That IRS concedes its tax assistance phones in the area have been deluged in the past two days by federal workers seeking rebate information.
- That some assistants have been recommending employees

use one claim form; others, another.

• That few have been able to offer advice on how the forms should be filled out.

• That far too many — in their ignorance and with no help from topside — have been giving employees the brush-off.

So here are four suggestions:

No. 1 — Telephone, write or present yourself in person to an IRS office to request Form 1040X. The IRS has broken down to the extent of saying that's the best form on which to file your claim.

No. 2 — Ask a tax assistant or advice, and make a record of his name on the 1040X.

No. 3 — Follow his advice. No. 4 — Also set forth on the 1040X that your reasons for claiming a refund include "those set forth in Hogan v. U.S., filed in U.S. District Court, eastern district of Michigan, southern district (Detroit), July 5, 1972; Civil Case No. 385-35." That's the NAIRE-Carrier suit.

On No. 4, however, you're on your own. It's strictly my off-the-cuff advice, presented in all friendliness in view of the IRS' failure to offer official advice.

Meantime, when and if the strangely-obtuse IRS sees the

light and suggests a better way, I'll let you know.

HEAR THIS, TOO — It's even possible the NAIRE-Carrier suit could pave the way for income tax refund claims in some states. That could be a possibility — I can take it no further now — in states which use the Federal "adjusted gross income" figure as the base for their own taxes.

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THE EVENING STAR and DAILY NEWS  
Washington, D. C., Saturday, February 10, 1973

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Cramer's 9 to 4:30

## A Chance for a Rebate

By JOHN CRAMER  
Star-News Staff Writer

Harken carefully, please, to the National Association of Internal Revenue Employees if you're a government worker and want to take a shot at winning substantial rebates on your 1969, 1970 and 1971 federal income tax payments.

You can do it with a phone call. And I'll give you the number.

The NAIRE thinks there's a better-than-fair chance that employee contributions to the Civil Service Retirement Fund (7 percent of base pay) even-

tually will be declared nontaxable as current income.

So it suggests that all federal workers, postal included, seek out IRS tax assistance experts—either personally or by phone—for advice on how to claim refunds on taxes paid in 1969-71.

Rebound claims for 1969 must be filed by April 15 to avoid the statute of limitations. Claims for 1970 and 1971 may be filed at the same time.

Here's the story:

For more than a year, the NAIRE and the AFL-CIO Letter Carriers have had a joint

suit pending in U.S. District Court in Detroit contending that retirement contributions (which the employee never sees on his paycheck) should not be considered "current" income. The suit contends that the contributions should be taxable only when returned to the employee, after retirement, in the form of civil service annuities.

Taxing as current income effectively adds 7 percent—and in some cases more—to the employee's tax bill.

But, because annuity income always is less than salary in-

come, deferring the tax until after retirement would produce lower tax rates—and important savings.

IRS officials, some of whom no doubt quietly are filing their own refund claims, pooh-pooh chances the unions can win the suit. But the NAIRE, whose lawyers know a thing or two about taxes themselves, claims important precedents in support of its case.

The NAIRE adds that the IRS has refused to set up standard procedures for filing claims. That's why it suggests

contacting the tax assistance experts, available in all IRS offices.

The experts are federal employees, too, and no doubt will be glad to help.

The D.C. tax assistance number: 337-0450.

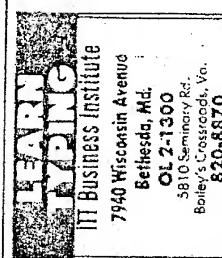
THE WASHINGTON POST

Tuesday, Feb. 13, 1973

## for Gold

ation of IRS Employees and the Letter Carriers Union have filed suit in a federal District Court, asking that the 7 percent contribution not be considered as income.

The case is a long way from being settled because the government would certainly appeal an adverse ruling rather than make millions of dollars worth of pension-taxed refunds to employees. Nevertheless, the two unions advise employees to make the amended 1968 claim—in case they eventually win—before the April 15 cutoff. After that date, employees would be able to file amended returns for 1970, 1971 and 1972 taxes, but not for the 1969 year.



Refund: Two federal employees to file amended 1969 returns asking for refunds on the 7 per cent retirement fund contributions that are now taxed as part of gross income. National Assoc-

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Form 1040 X  
(Rev. Sept. 1971)

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**Amended U.S. Individual  
Income Tax Return**

Department of the Treasury

Internal Revenue Service



Please print or type	First name and initial (If joint return, use first names and middle initials of both)	Last name	Your social security number
	Home address (Number and street or rural route)		Spouse's social security number
	City, town or post office, State, and ZIP code		

Please answer all questions, fill in applicable items, and explain changes on page 2.

Enter below name and address used on original return (If same as above, write "Same"). If changing from separate to joint return, enter names and addresses used on original returns. (Note: You cannot change from joint to separate returns after the due date has passed for filing separate returns.)

a. This return is for calendar year 19..... If not for calendar year, insert ending date of fiscal year ..... 19.....  
b. Office where original return was filed? c. Has the District Audit Division advised you that your original return is being or will be audited?  Yes  No. If "Yes," identify office ►

d. Filing Status Claimed	Single	Married filing jointly	Married filing separately	Head of Household	Surviving Widow(er)
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Income and Deductions**

A. As originally reported or as adjusted (See Specific Instr.)	B. Net change (Increase or Decrease—explain on page 2)	C. Correct amount

1 Total income: Form 1040—line 9 for 1968, line 15c for 1969, line 18 for 1970 and 1971; Form 1040A—item 7 for 1968.

2 Deductions. See instructions and explain any change on page 2.

**Tax Liability**

3 Total tax (including surcharge, self-employment tax, tax from re-computing prior year investment credit, and minimum tax, etc.): Form 1040—line 16 for 1968, line 18 for 1969, line 25 for 1970, or line 23 for 1971; Form 1040A—item 8(c) for 1968. Attach Schedule C-3, F-1, or SE (Form 1040) if self-employment tax is changed.

**Payments and Credits**

4 Federal income tax withheld and excess F.I.C.A. tax			
5 Credits for Federal special fuels, nonhighway gasoline and lubricating oil tax; also, regulated investment company credit.			
6 Estimated tax payments: Form 1040—line 20 for 1968, line 22 for 1969, line 27 for 1970, or line 25 for 1971.			
7 Amount paid with original return, plus additional payments made after it was filed			
8 Total of lines 4 through 7, column C			

**Refund or Balance Due**

9 Overpayment, if any, shown on original return: Form 1040—line 23 for 1968, line 25 for 1969, line 31 for 1970; or line 29 for 1971, Form 1040A—item 11 for 1968.	
10 Subtract line 9 from line 8, and enter result	
11 If line 3, column C is more than line 10, enter Balance Due. Please Pay In Full With This Return	
12 If line 3, column C is less than line 10, enter Refund to be received	

Under penalties of perjury, I declare that I have filed an original return and that I have examined this amended return, including accompanying schedules and statements, and to the best of my knowledge and belief this amended return is true, correct, and complete.

Sign  
here ►

Your signature

Date

Signature of preparer other than taxpayer, based on all information of which he has any knowledge.

Date

Spouse's signature (If filing jointly, BOTH must sign even if only one had income)

Address

BE SURE TO COMPLETE PAGE 2

**PART I.—EXEMPTIONS**

1 Number of exemptions claimed on original return  
 2 Number of exemptions claimed on this return  
 3 Difference, if any

Explain any increase in exemptions in lines 4, 5, and 6 below. If exemptions are unchanged or are decreased, no entries need be made in lines 4, 5, and 6.

4 Additional Exemptions for Yourself—and Spouse  
 (Check only those boxes not checked on original return)

Yourself . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Enter number of boxes checked
Spouse . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

5 Enter first names of your dependent children who lived with you, but were not claimed on original return.

Enter number ►

6 Other dependents not claimed on original return	(a) NAME ► Enter figure 1 in the last column to right for each name listed (If more space is needed, attach schedule)	(b) Relationship	(c) Months lived in your home. If born or died during year also write "B" or "D"	(d) Did dependent have income of \$675 or more in 1971? (\$625 for the taxable year ending in 1970 or \$600 for taxable years ending before 1970)	(e) Amount YOU furnished for dependent's support. If 100% write "ALL"	(f) Amount furnished by OTHERS including dependent. See instruction	

**PART II.—EXPLANATION OF CHANGES to Income, Deductions, and Credits. Show computations in detail. Attach applicable schedules.**

FORM 843  
(Rev. Mar. 1960)

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District Director's Stamp  
(Date received)

U.S. TREASURY DEPARTMENT, INTERNAL REVENUE SERVICE  
**CLAIM**  
TO BE FILED WITH THE DISTRICT DIRECTOR WHERE  
ASSESSMENT WAS MADE OR TAX PAID

The District Director will indicate in the block below the kind of claim filed, and fill in, where required.

Refund of Taxes Illegally, Erroneously, or Excessively Collected.  
 Refund of Amount Paid for Stamps Unused, or Used in Error or Excess.  
 Abatement of Tax Assessed (not applicable to estate, gift, or income taxes).

**PLEASE TYPE OR PRINT PLAINLY**

Name of taxpayer or purchaser of stamps

Number and street

City, town, postal zone, State

**Fill in applicable items—Attach letter size sheets if space is not sufficient**

1. Social security number	2. If an employer, enter employer identification number	
3. District in which return (if any) was filed	4. Name and address shown on return, if different from above	
5. Period—if for tax reported on annual basis, prepare separate form for each taxable year From _____, 19 _____, To _____, 19 _____		6. Kind of tax
7. Amount of assessment \$ _____	8. Date stamps were purchased from Government 9. Amount to be refunded \$ _____	
10. Amount to be abated (not applicable to income, estate, or gift taxes) \$ _____		

11. The claimant believes that this claim should be allowed for the following reasons:

I declare under the penalties of perjury that this claim (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is true and correct.

Signed \_\_\_\_\_

Dated \_\_\_\_\_, 19 \_\_\_\_\_

**INSTRUCTIONS**

1. The claim must set forth in detail each ground upon which it is made and facts sufficient to apprise the Commissioner of the exact basis thereof.
2. If a joint income tax return was filed for the year for which this claim is filed, enter social security and employer identification number, if any, of both husband and wife and each must sign this claim even though only one had income.
3. Whenever it is necessary to have the claim executed by an agent on behalf of the taxpayer, an authenticated copy of the document specifically authorizing such agent to sign the claim on behalf of the taxpayer shall accompany the claim.
4. If a return is filed by an individual and a refund claim is thereafter filed by a legal representative of the deceased, certified copies of the letters testamentary, letters of administration, or other similar evidence must be annexed to the claim, to show the authority of the executor, administrator, or other fiduciary by whom the claim is filed. If an executor, administrator, guardian, trustee, receiver, or other fiduciary files a return and thereafter refund claim is filed by the same fiduciary, documentary evidence to establish the legal authority of the fiduciary need not accompany the claim, provided a statement is made on the claim showing that the return was filed by the fiduciary and that the latter is still acting.
5. Where the taxpayer is a corporation, the claim will be signed with the corporate name, followed by the signature and title of the officer having authority to sign for the corporation.
6. If claim is for excess social security (F.I.C.A.) tax withheld as a result of having had more than one employer, include the names and addresses of your employers, and the amount of wages received and taxes withheld by each as part of your explanation in item 11. Do not claim tax withheld if you have claimed the excess withholding on your individual income tax return.

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FORM 843 (Rev. 3-60)

FOR DISTRICT DIRECTOR'S USE ONLY  
Approved For Release 2002/08/06 : CIA-RDP78-04722A000300010062-6  
**TRANSCRIPT OF CLAIMANT'S ACCOUNT**

(Complete only as to Miscellaneous Excise Taxes and Alcohol, Tobacco, and Certain Other Excise Taxes Imposed Under Subtitles D and E, Internal Revenue Code)  
The following is a transcript of the records of this office covering the liability that is the subject of this claim.

## **A—ASSESSED TAXES**

**B—PURCHASE OF STAMPS**

Prepared By (Initials)

Date

**District**

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